

# Employment eAlert

## National Employment Rights Authority

You will no doubt have noticed the current national awareness campaign by The National Employment Rights Authority (NERA) and may be wondering what if any, impact it will have on your business.

NERA was established in 2007 under the National Partnership Agreement "Towards 2016" to support the achievement of a national culture of compliance with employment rights among employers throughout Ireland. The launch of NERA's information campaign is the latest phase in the establishment of this significant national authority with responsibility for the enforcement of employment rights.

NERA provides information to employees and employers in relation to employment rights legislation through its information unit. NERA also has responsibility for carrying out inspections and investigations in relation to suspected breaches of employment legislation and its labour inspectorate carry out this function.

Where employers are found to be in breach of employment legislation, Inspectors will seek to have those breaches rectified and will where applicable require payment of arrears

due to employees. If necessary, NERA will have recourse to legal proceedings before the Labour Court and the Employment Appeals Tribunal to enforce compliance and recover any arrears due to employees. In 2007 Inspectors obtained almost €2.5 million in payments of arrears for employees which is a significant increase of €1.1 million on the arrears collected in 2006.

It is important to note that the *Social Welfare and Pensions Act 2007* enables NERA to join with inspectors from the Department of Social and Family Affairs and the Revenue Commissioners to form "joint investigation units" and exchange information for purposes of investigating employers suspected of having contravened employment legislation. This in turn assists NERA's inspection, prosecution and enforcement functions.

During 2007, Inspectors carried out in excess of 14,000 inspections and these included targeted campaigns with particular attention being paid to the construction industry and breaches by employers of the *National Minimum Wage Act, 2000* and the *Protection of Young Persons (Employment) Act, 1996*. Targeted campaigns are to

continue this year and in that regard, NERA has indicated that it intends to focus on the area of employment permits and those employers who typically employ large numbers of non-national employees. Consequently those employers in the service industry including hospitality and retail and those in the construction and manufacturing sectors should prepare themselves for a visit from a labour inspector.

In circumstances where employers may be liable for penalties for non-compliance of employment legislation of €5,000 on summary conviction and a maximum of €250,000 on indictment it is therefore essential that employers take measures to protect themselves against possible prosecution.

Employers should therefore ensure that their employment records, contracts of employment and policies and procedures are fully up to date and in compliance with employment legislation.



For more information please contact Michael Kavanagh, Head of the Employment, Pensions and Employee Benefits Unit tel: +353 1 637 1524 email: [mkavanagh@lkshields.ie](mailto:mkavanagh@lkshields.ie)



for more information, please contact Jennifer Clarke, tel: +353 1 637 1504 email: [jclarke@lkshields.ie](mailto:jclarke@lkshields.ie)

### About LK Shields Solicitors

LK Shields Solicitors is one of the leading law firms in Ireland. Founded in 1988, today we number some 20 partners, and 150 staff. Our principal areas of practice include corporate, litigation and dispute resolution, commercial property, intellectual property, financial services, employment, pensions and employee benefits.

39/40 Upper Mount St, Dublin 2 | Tel +353 1 6610866 | [www.lkshields.ie](http://www.lkshields.ie)

### Copyright

If you would like to reproduce any of this publication, please contact Nicola McNamara, on + 353 1 638 5882.

©LK Shields Solicitors, February 2008. All rights reserved.

*The material in this publication is for general information purposes only. Professional legal advice should always be sought in relation to any specific matter. No liability will be accepted for any losses incurred by those relying solely on this publication.*